

MPCA Volkswagen Draft Phase 2 Plan Feedback Meetings

December 4-17, 2019

<p>December 4 – Duluth 4:00-6:00 p.m.</p> <p>MPCA Duluth office 525 Lake Avenue South, Suite 400 Duluth, MN 55802</p>	<p>December 9 – Saint Paul 2:00-4:00 p.m. (Central Standard Time)</p> <p>MPCA Saint Paul office 520 Lafayette Road, Saint Paul, MN 55155</p> <p>Access by WebEx link: https://minnesota.webex.com/minnesota/j.php?MTID=mb661cdb5542f172733f6520f18b57c0f</p>	<p>December 9 – Minneapolis 6:00-8:00 p.m.</p> <p>Urban Research and Outreach- Engagement Center (UROC) Room 105 2001 Plymouth Ave. N Minneapolis, MN 55411</p>		
<p>December 12 – Rochester 4:00-6:00 p.m.</p> <p>Wood Lake Meeting Center Cedar Room 210 Wood Lake Drive SE Rochester, MN 55904</p>	<p>December 17 – Attend a remote meeting at MPCA offices in Brainerd, Detroit Lakes, Marshall, or Mankato 4:00-6:00 p.m.</p> <table><tr><td><p>MPCA Brainerd Office 7678 College Road, Suite 105 Baxter, MN 56425</p><p>MPCA Mankato Office 12 Civic Center Plaza Suite 2165 Mankato, MN 56001</p></td><td><p>MPCA Detroit Lakes office 714 Lake Ave., Suite 220 Detroit Lakes, MN 56501</p><p>MPCA Marshall Office 504 Fairgrounds Rd Suite 200 Marshall, MN 56258</p></td></tr></table>		<p>MPCA Brainerd Office 7678 College Road, Suite 105 Baxter, MN 56425</p> <p>MPCA Mankato Office 12 Civic Center Plaza Suite 2165 Mankato, MN 56001</p>	<p>MPCA Detroit Lakes office 714 Lake Ave., Suite 220 Detroit Lakes, MN 56501</p> <p>MPCA Marshall Office 504 Fairgrounds Rd Suite 200 Marshall, MN 56258</p>
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This meeting will share information about funded projects in Minnesota in Phase 1 (2018-2019), early outreach and development of Phase 2, and an overview of the draft Phase 2 plan (2020-2023). We'll have time for questions and input throughout the meeting.

To access the December 9th meeting online:

For those participating remotely PLEASE be sure to mute your phone line as soon as the webinar begins to help keep things running as smoothly as possible! We'll have time for questions and input throughout the meeting.

[Join WebEx meeting](#)

Meeting number: 966 262 421

Meeting password: Ad3sJMRy

Or join by phone through call-in number: 415-655-0003 (US)

Important note: Webex access will only be available during the December 9th meeting (2:00-4:00pm Central). This meeting will be recorded for those unable to attend. We anticipate posting the recording within a week. You are welcome to attend any of the posted meetings in person. You can provide additional comments on the draft plan by sending an email to vwsettlement.pca@state.mn.us. Comments are being accepted until December 20, 2019.

AGENDA

Welcome and introduction, MPCA

Purpose, role, and scope of the meeting

Phase 1 Results Recap

Phase 2 Plan Development

Phase 2 Draft Plan Review and Discussion

- **Goals**
- **Grant Categories**

Next steps

Adjourn

We'll have time for questions and input throughout the meeting.

For more information about Minnesota's efforts and a copy of the draft plan, visit: www.pca.state.mn.us/air/vw-phase-2

Minnesota's Volkswagen Settlement Draft Phase 2 plan

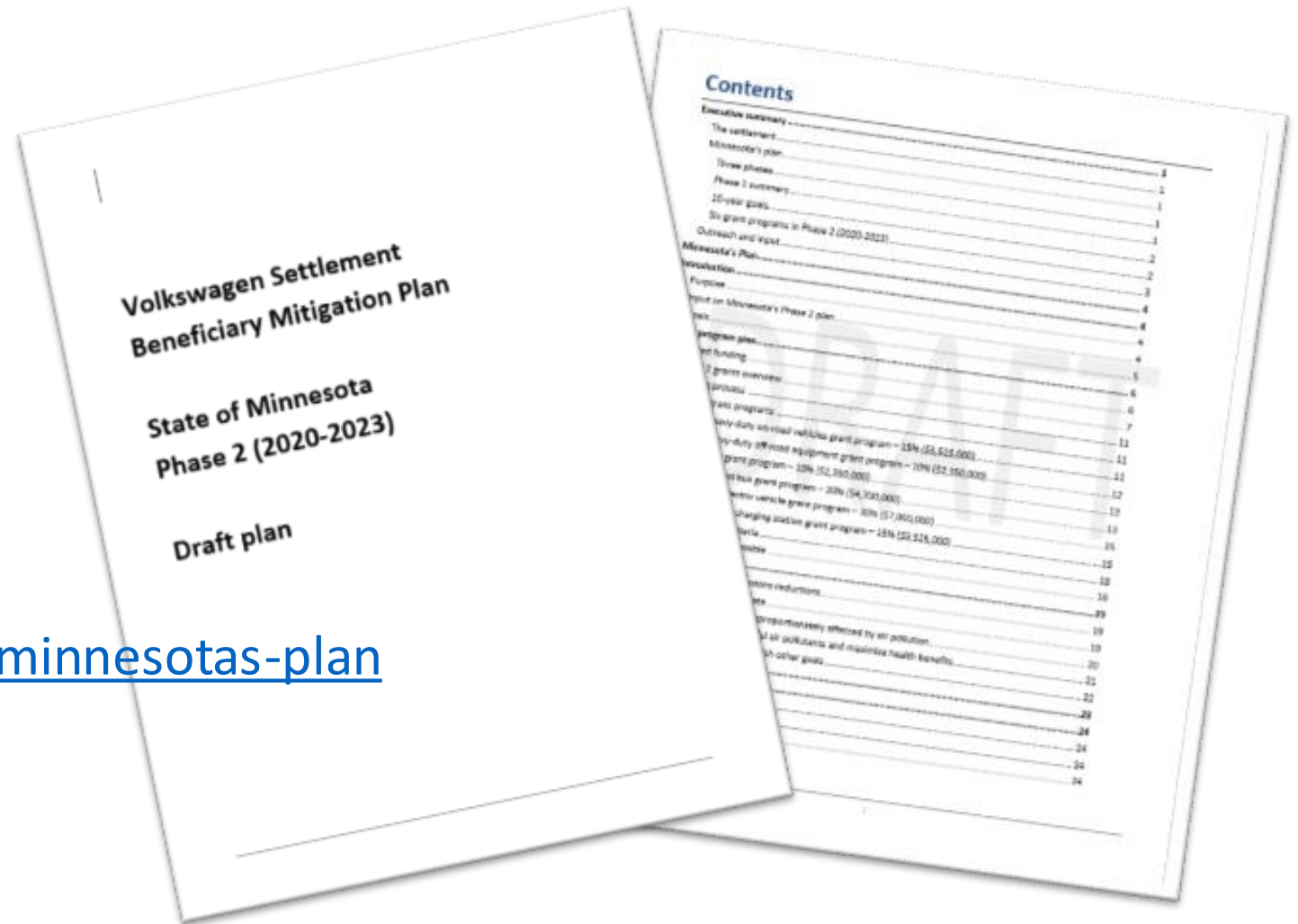
Draft Plan Discussion and Outreach – December 2019

- Why we're here
- Phase 1 results
- Developing draft plan
- Draft plan review and discussion
- Next steps



Why we're here today

<https://www.pca.state.mn.us/air/minnesotas-plan>



Comments accepted through December 20, 2019

Questions/comments: vwsettlement.pca@state.mn.us

More meeting details: <https://www.pca.state.mn.us/air/vw-phase-2>

Public meetings

- Duluth, December 4, 4-6pm
- St. Paul, December 9, 2-4pm
- Minneapolis, December 9, 6-8pm
- Rochester, December 12, 4-6pm

Remote access meeting December 17, 2019 4-6pm

- Brainerd
- Detroit Lakes
- Rochester
- Marshall

VW Program Background

- Volkswagen intentionally tampered with engines
- Multiple lawsuits against VW
- VW pays \$14.9 billion nationwide
- Minnesota to receive \$47 million / 10 years
- Money can only be spent to replace old diesel engines and to install EV infrastructure
- MN developed phased approach

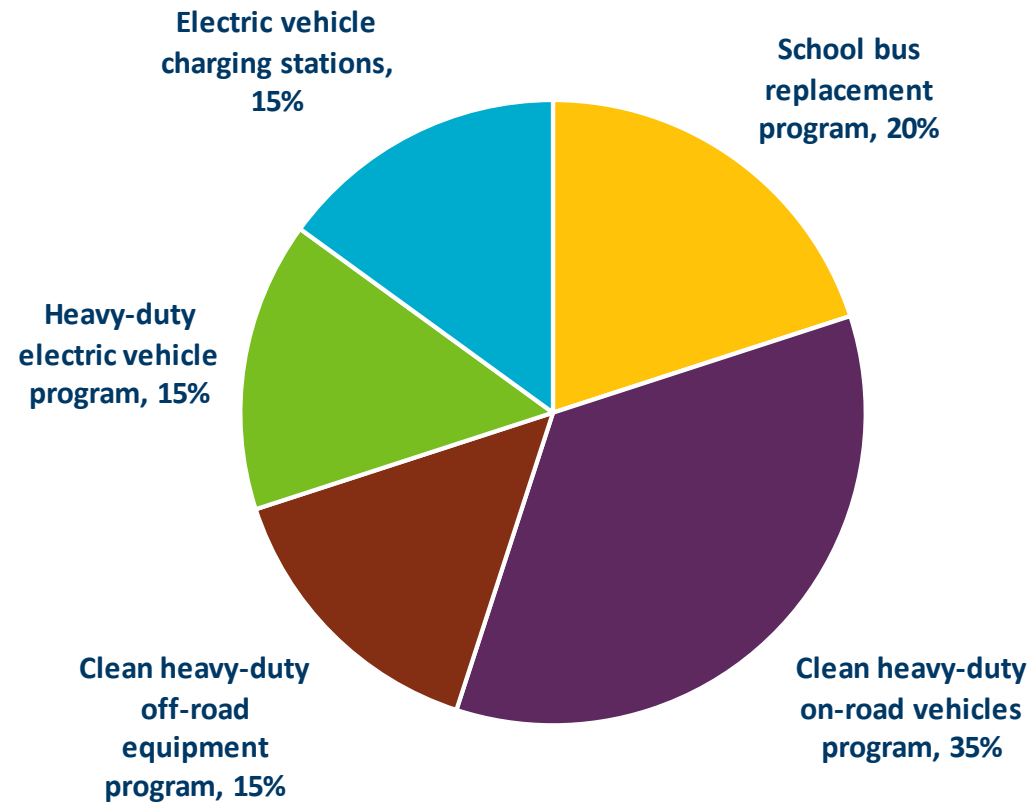
VW Program Phased Approach

- Phase 1 (2018-2019): 25% (\$11.75 million)
- **Phase 2 (2020-2023): 50% (\$23.5 million)**
- Phase 3 (2024-2027): 25% (\$11.75 million)



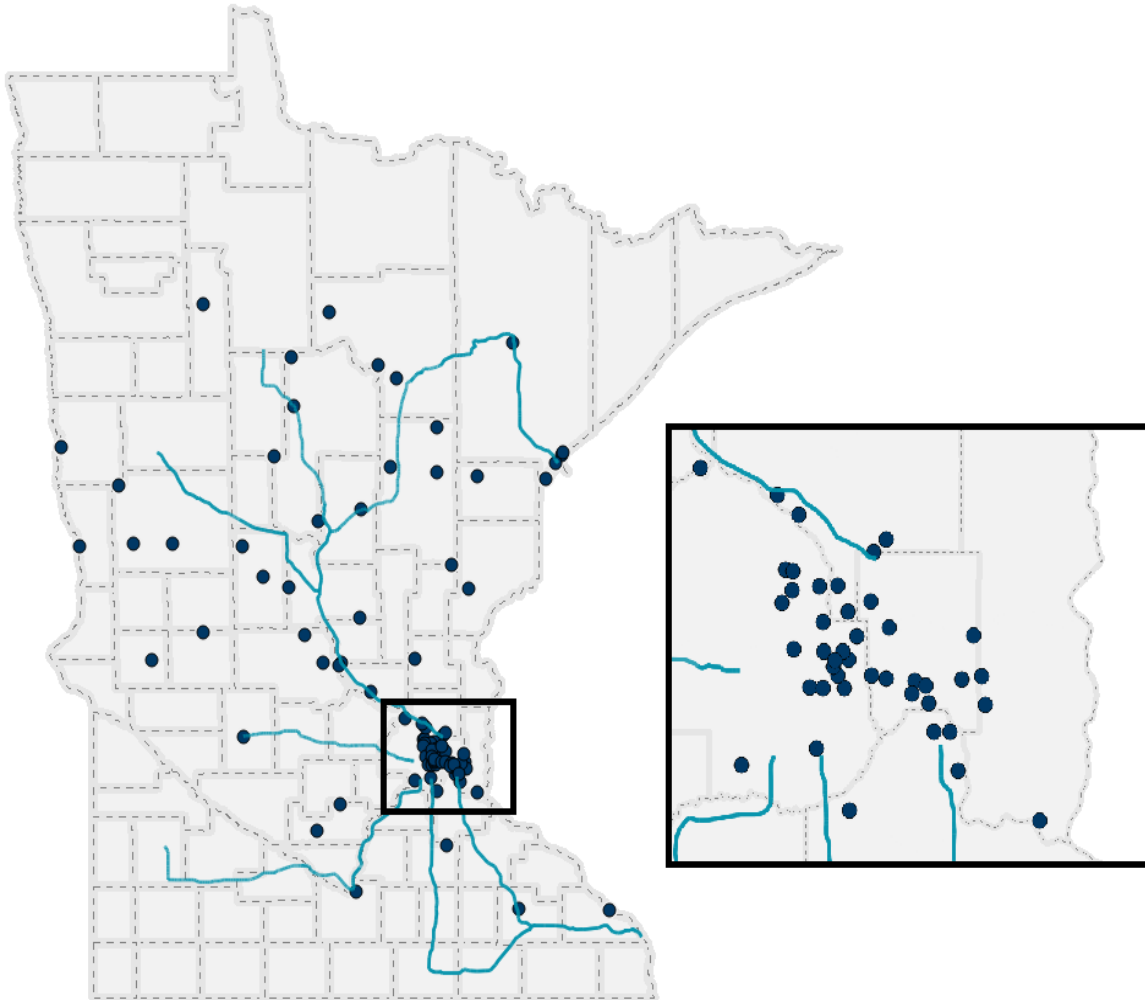
Phase 1 Results

Phase 1 funds: \$11.75 million



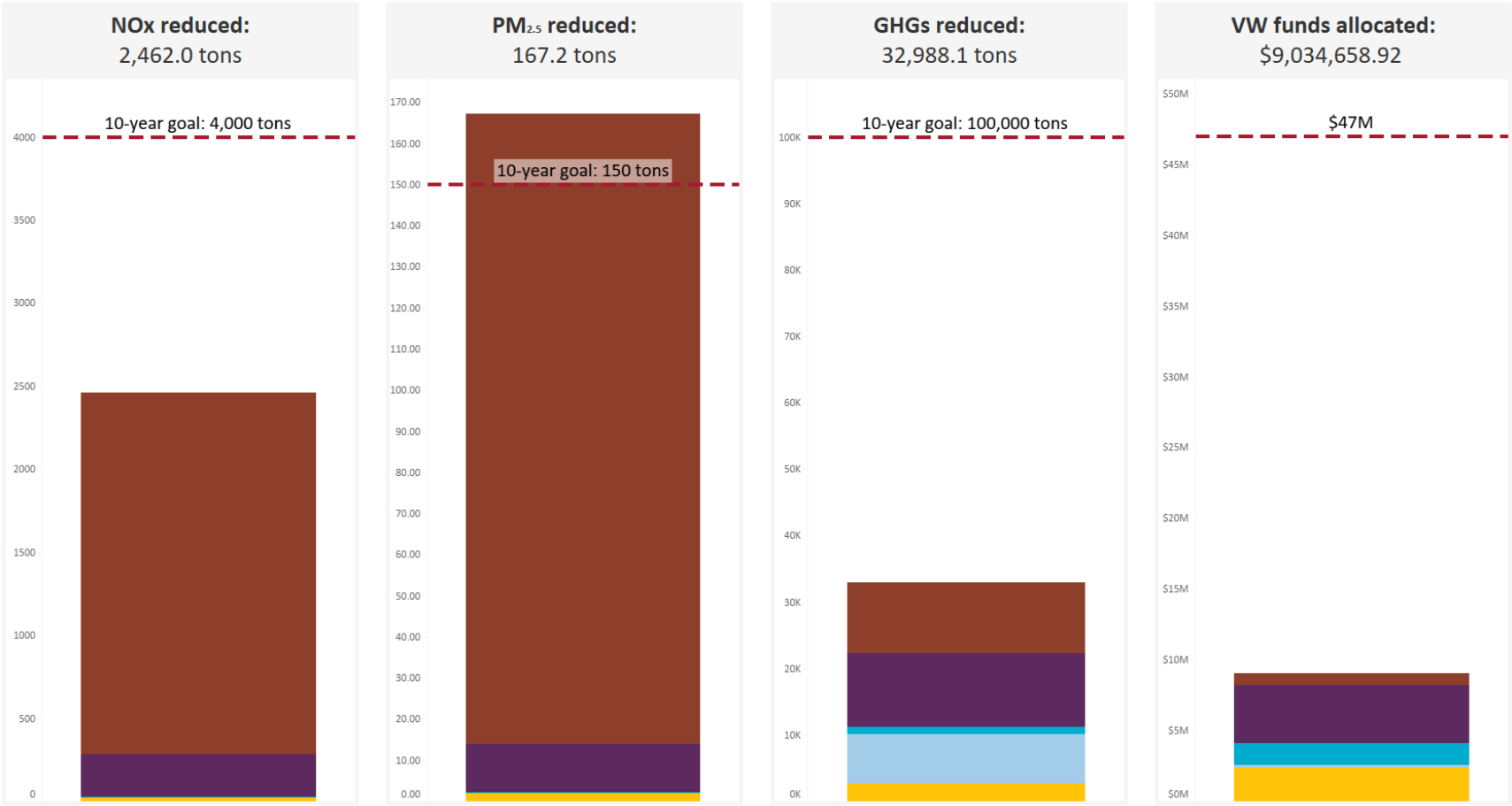
Phase 1 results

Phase 1 funded projects



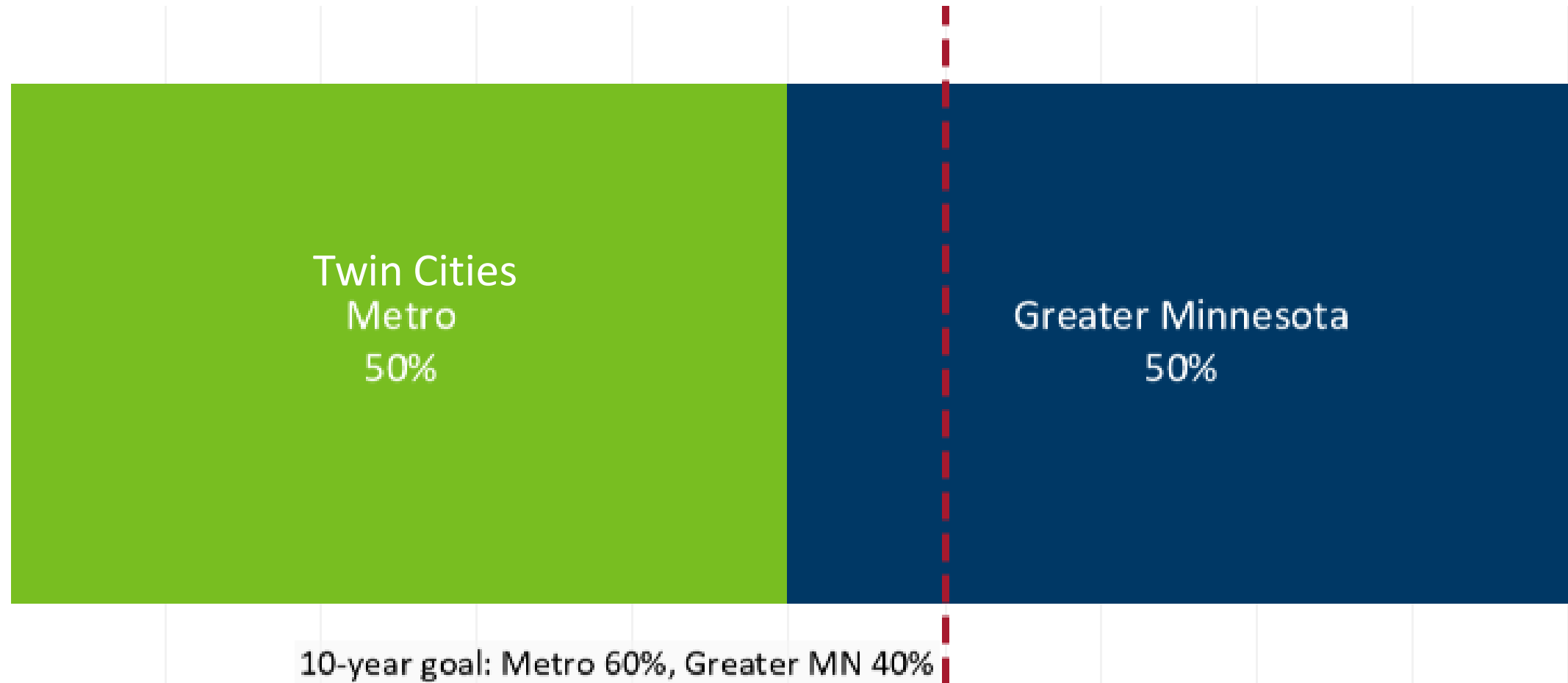
Grant program	# replacements/chargers
School bus replacements	111 (60 diesel, 51 propane)
Clean heavy-duty on-road	125 (7 electric, 1 CNG, 117 diesel)
Clean heavy-duty off-road (<i>half done</i>)	16 (2 electric, 6 diesel, 8 rail idle-reduction)
Heavy-duty electric	<i>TBD</i>
EV Fast-chargers	22 (4 highway corridors)
EV Level-2 chargers	25 dual port stations
Total	299 (252 replacements, 47 chargers)

Anticipated Emissions reductions achieved

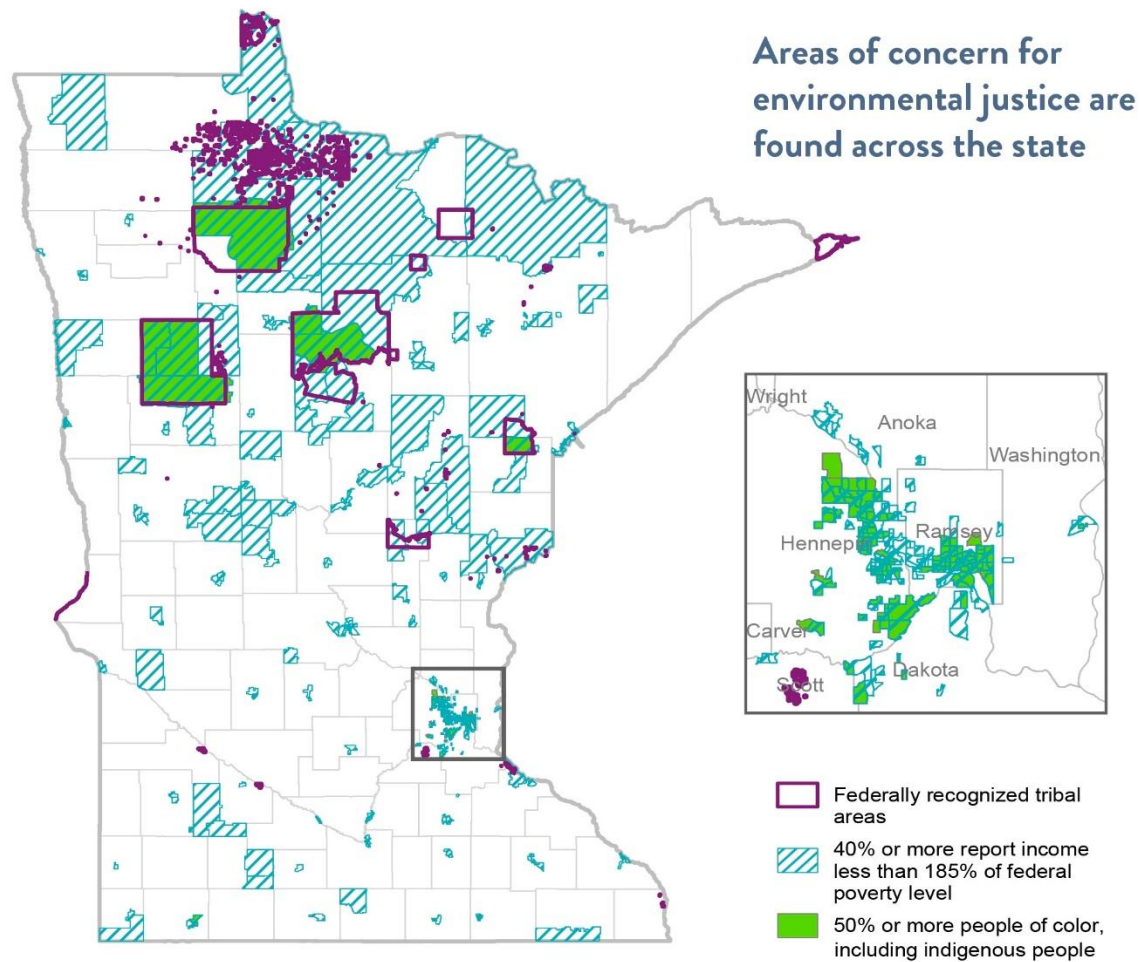


- Off-road (DERA)
- On-road
- EV fast-chargers
- EV level-2 chargers
- School bus replacements

Percent of Phase 1 funds invested by location

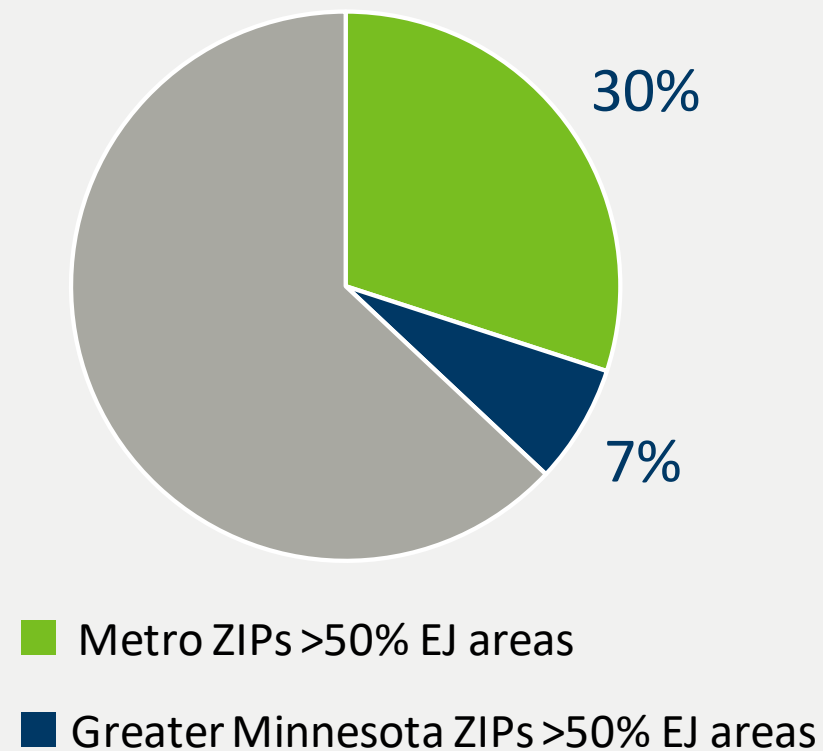


Phase 1 results



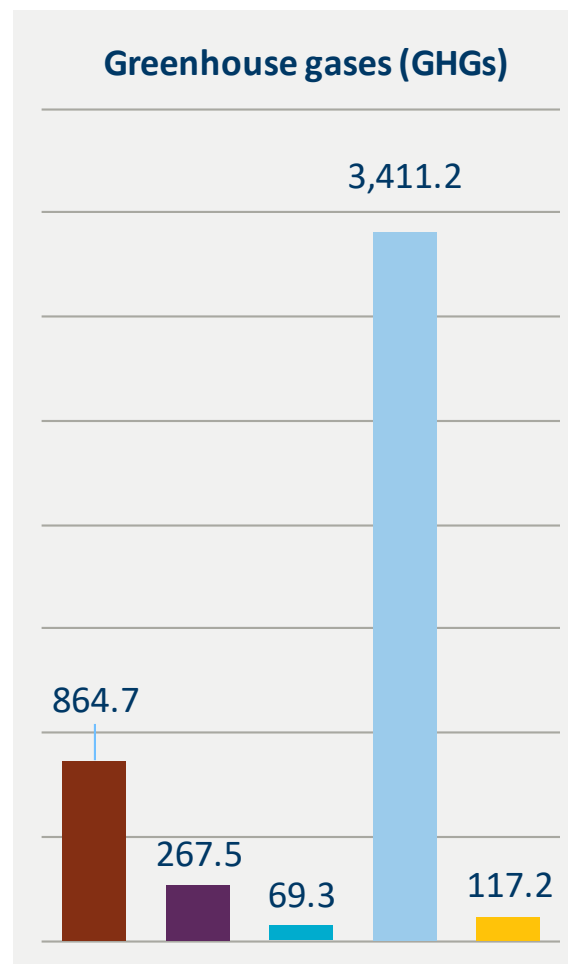
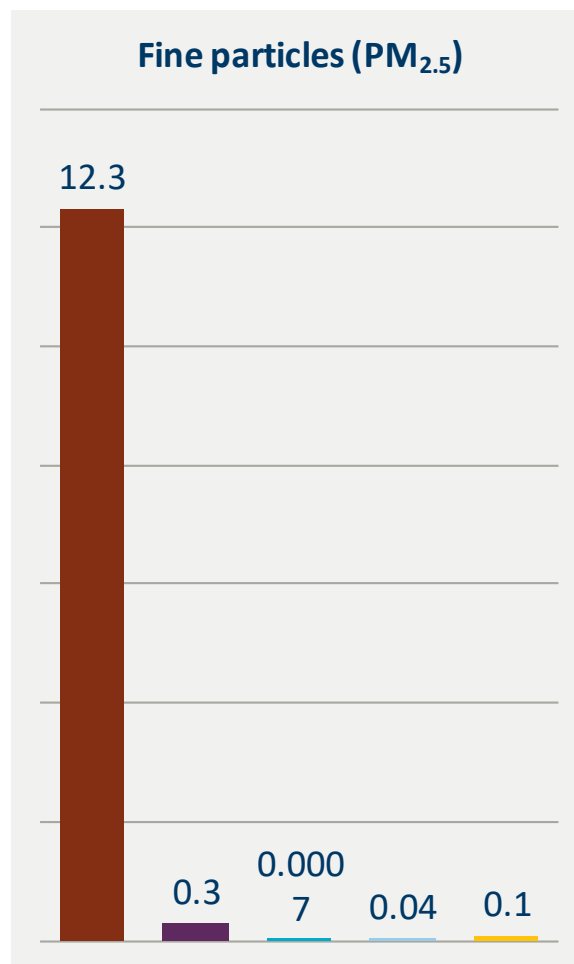
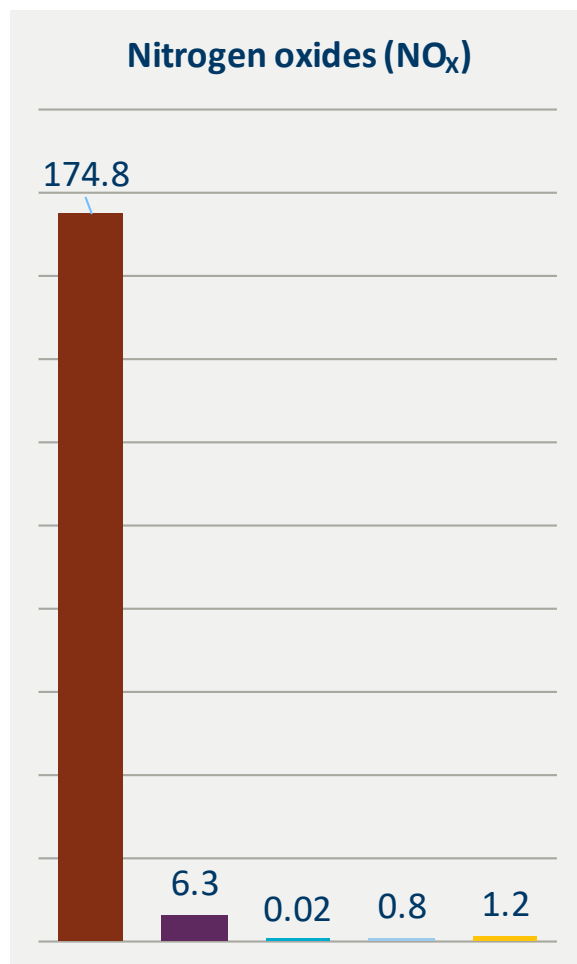
**based on US Census data*

Percent of Phase 1 funds invested in ZIP codes made up of at least 50% environmental justice areas



Phase 1 results

Grant program cost effectiveness (tons reduced per \$100,000 spent)



- Off-road (DERA)*
- On-road
- EV fast-chargers
- EV level-2 chargers
- School bus replacements

**includes additional funds leveraged from EPA's Diesel Emissions Reductions Act Program*

Air pollution and your health

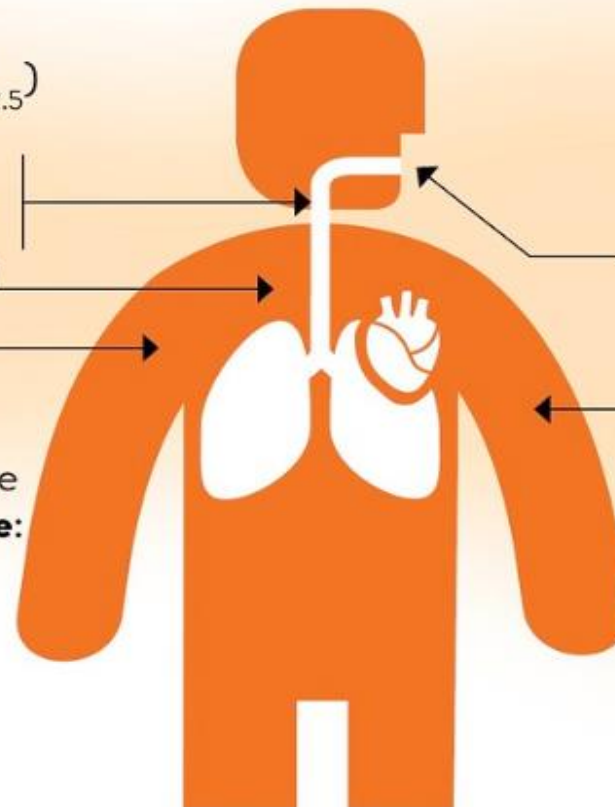
Fine particles and ground-level ozone (often called smog) are widespread pollutants linked to health effects.

Fine particles (PM_{2.5}) pollution can cause:

- Shortness of breath
- Wheezing, coughing
- Chest pain
- Fatigue

Fine particles can make these conditions **worse**:

- Cardiovascular and heart disease
- Asthma and COPD



Ground-level ozone pollution can cause:

- Difficulty breathing deeply
- Shortness of breath
- Sore throat
- Wheezing, coughing
- Fatigue

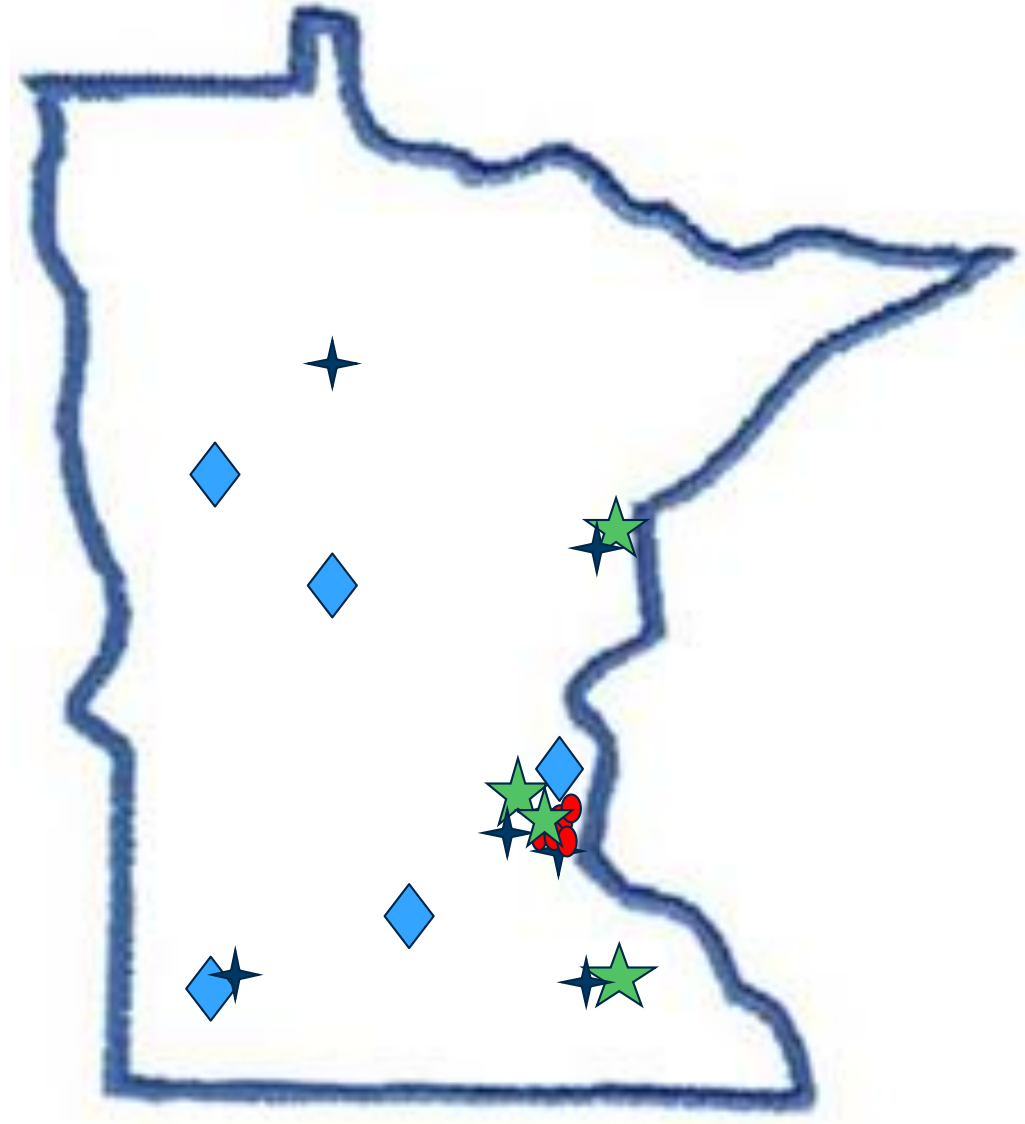
Ozone can make these conditions **worse**:

- Asthma and COPD
- Emphysema

Developing the Phase 2 state plan

Outreach

- ★ Public meetings
- ◆ Remote access meetings
- Stakeholder meetings
- ✦ Previous public meetings



What we heard: key themes

- Significant emissions reductions
- Include Greater Minnesota
- Cost effectiveness
- Consider different vehicle and equipment types
- Consider different fuel types
- Reduce exposures, support public health
- Protect vulnerable populations
- Maximize reductions for people disproportionately affected
- Reduce GHG emissions
- Support electric vehicles
- Long term future of the transportation system
- Measureable results



What we heard: shaping the state plan

Public input (already) influenced:

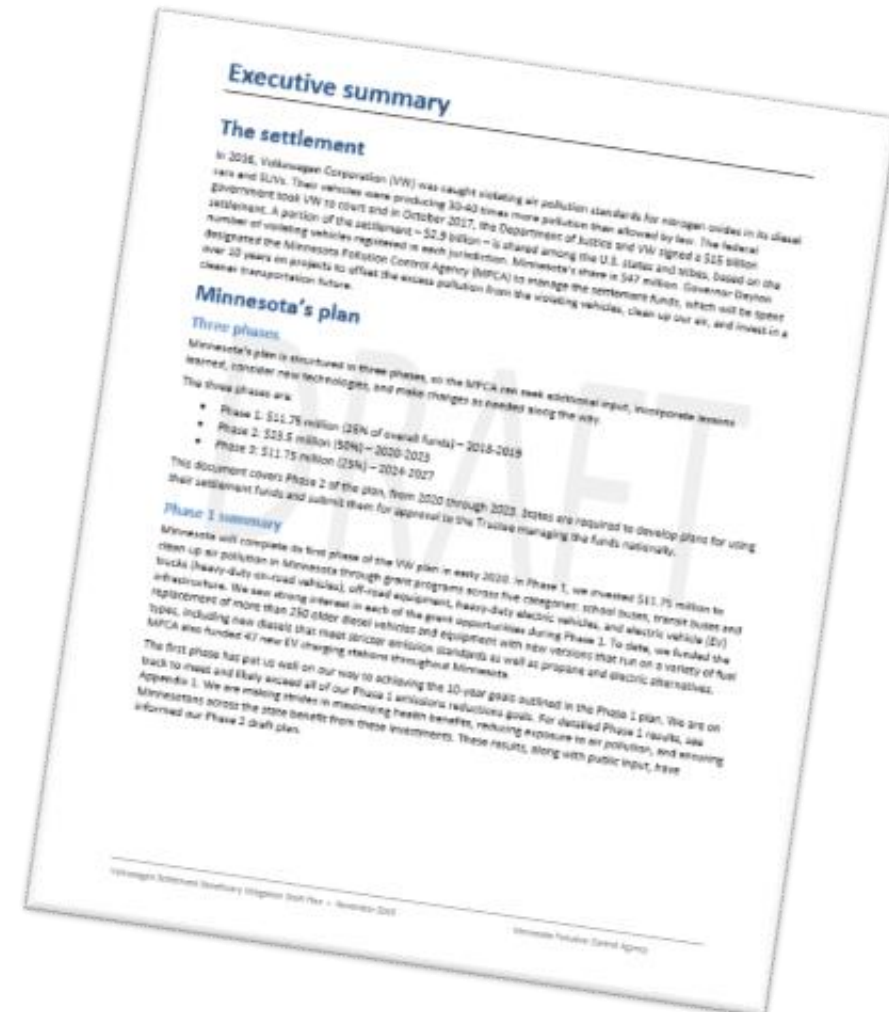
- Grant program structures
 - Targeted spending allocations
 - Matching levels
 - Fuel and vehicle types eligibility
- Goals
 - Continue emissions reductions
 - Increase focus on EV
 - Maximize health benefits



DRAFT Phase 2 State Plan

Phase 2 Draft Plan outline

- Goals
- Grant categories
- Next Steps



Continue towards 10 year goals

- Significant emissions reductions
- Statewide benefits
- Help people disproportionately affected
- Reduce exposure, maximize health benefits
- Balance cost effectiveness with other goals

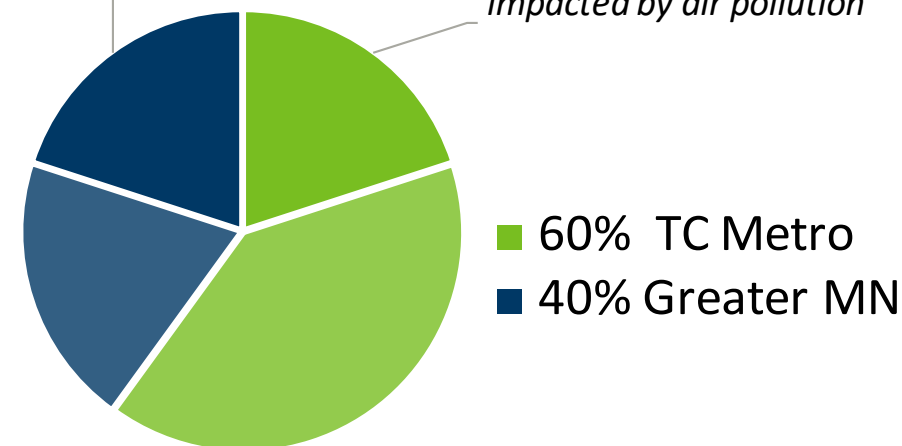
Additional Phase 2 considerations

- Increase in Heavy Duty Electric Vehicle funding
- More focus on future of transportation

How Minnesota will invest its VW settlement funds

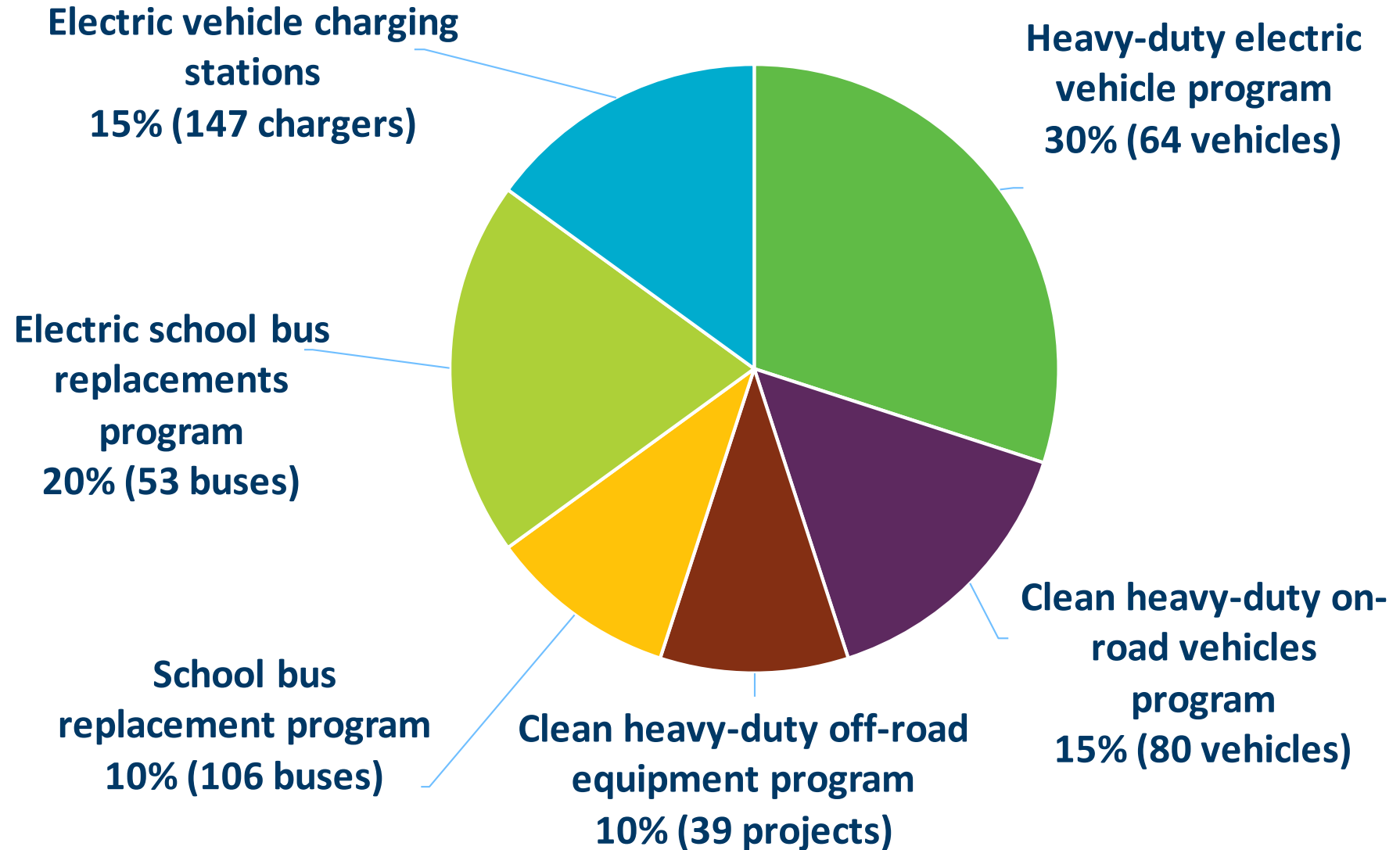
At least 20% to Greater Minnesota areas disproportionately impacted by air pollution

At least 20% to Twin Cities metro areas disproportionately impacted by air pollution



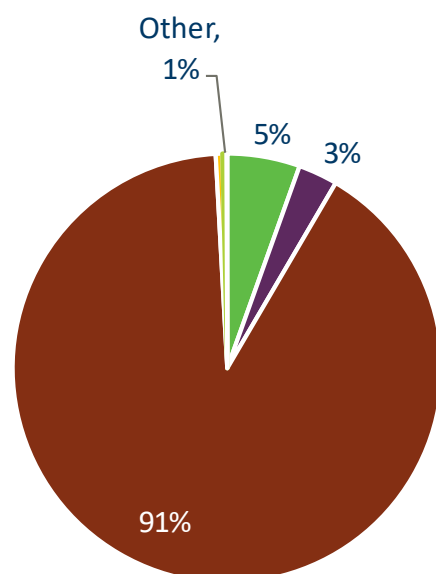
Phase 2 (2020-2023)

**Phase 2
funds: \$23.5
million**



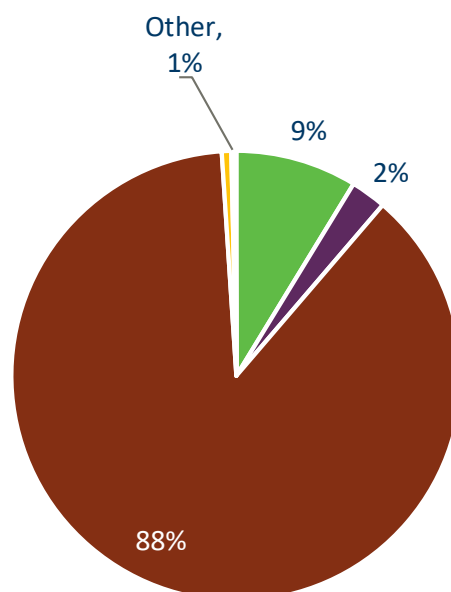
Estimated emissions reductions achieved by grant category

Nitrogen oxide reductions:
4,123 - 6,985 tons



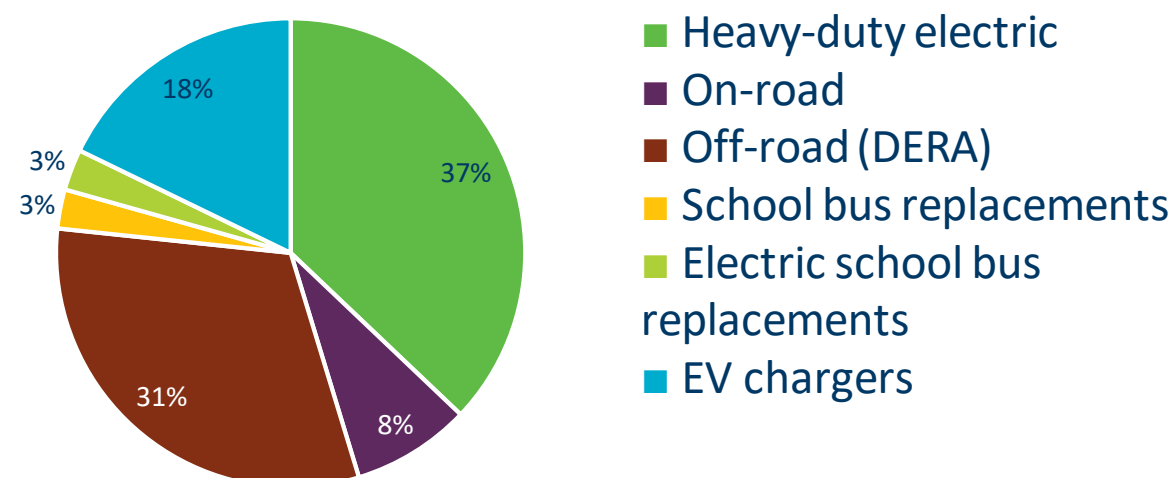
Other (NO_x reductions):
School bus replacements, 0.5%
Electric school bus replacements, 0.3%,
EV chargers, 0.1%

Fine particle reductions:
145 - 444 tons



Other (PM_{2.5} reductions):
School bus replacements, 0.7%
Electric school bus replacements, 0.3%
EV chargers, 0.1%

Greenhouse gas reductions:
70,558 - 101,142 tons

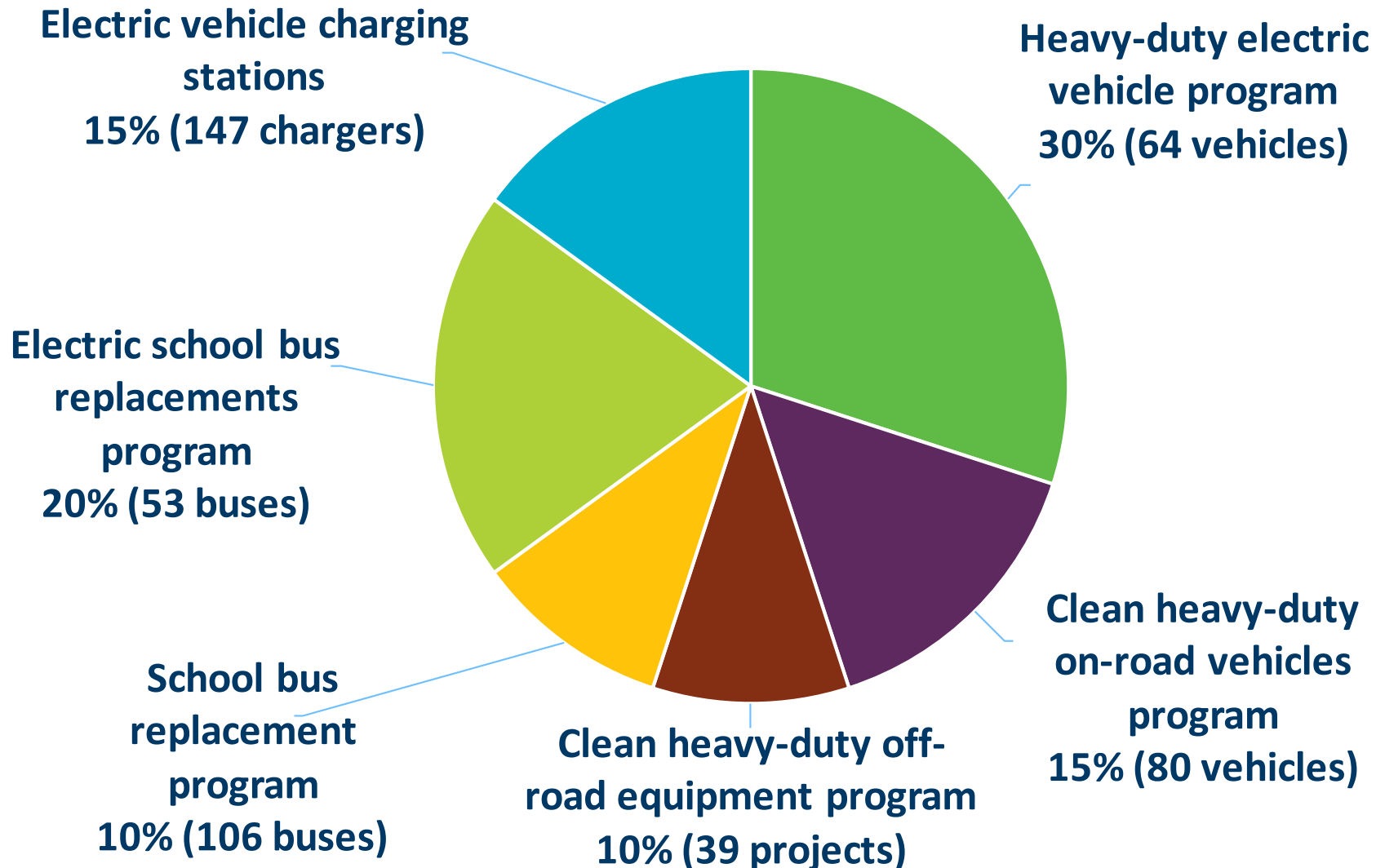


Anticipated reductions from Phase 2

NOx	4,123-6,985 tons (10 year goal 4,000 tons)
PM _{2.5}	145-444 tons (10 year goal 150 tons)
GHGs	70,558-101,142 tons (10 year goals 100,000 tons)



Questions



Do these overall funding scenarios reflect what is important to you? Why/why not?

DRAFT Phase 2 Grant Categories

Category: Heavy-duty on-road (trucks and transit buses)

- 15% of available funds
- \$3,525,000 overall
- Up to 25%
- Eligible diesel trucks and buses (approx. 46,000) can be replaced with
 - Diesel, propane, natural gas trucks and buses (electric will be eligible in its own category)



Category: Heavy-duty off-road equipment (freight and construction)

- 10% of available funds
- \$2,350,000 overall
- Up to 25-75% grants based on DERA-allowed levels
- Old diesel marine, locomotive and construction equipment eligible under DERA rules can be replaced with
 - New diesel, propane, natural gas or electric equipment



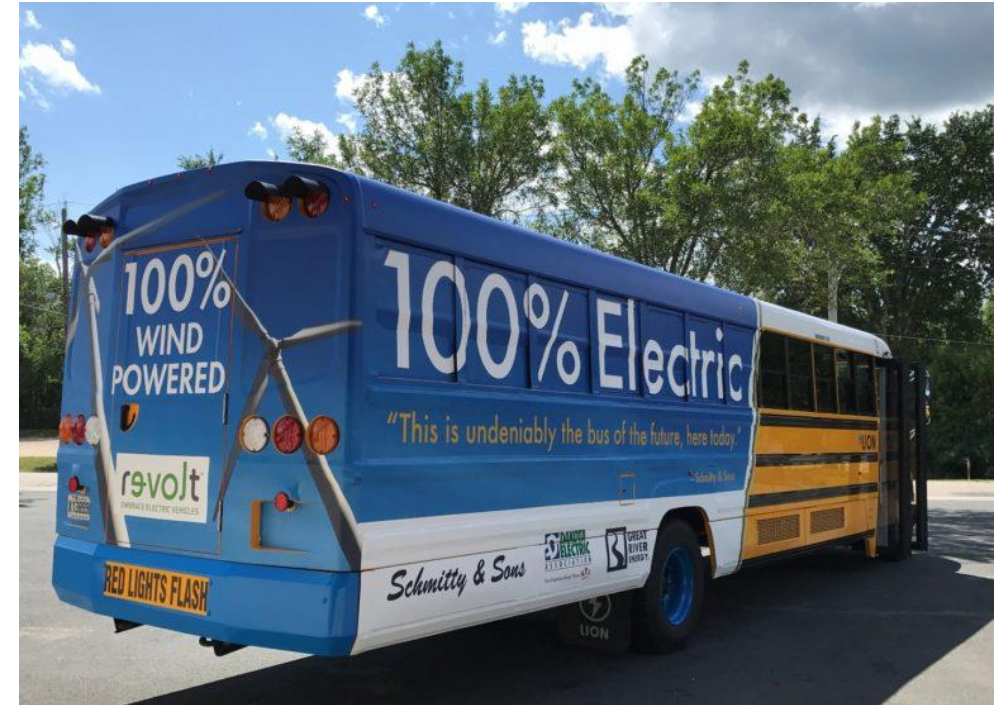
Category: School bus replacement

- 10% of available funds
- \$2,350,000 overall
- \$15,000 grant (\$20,000 for low-income districts)
- Eligible school buses (approx. 5,800) can be replaced with:
 - New diesel, propane, natural gas buses (electric will be eligible in its own category)



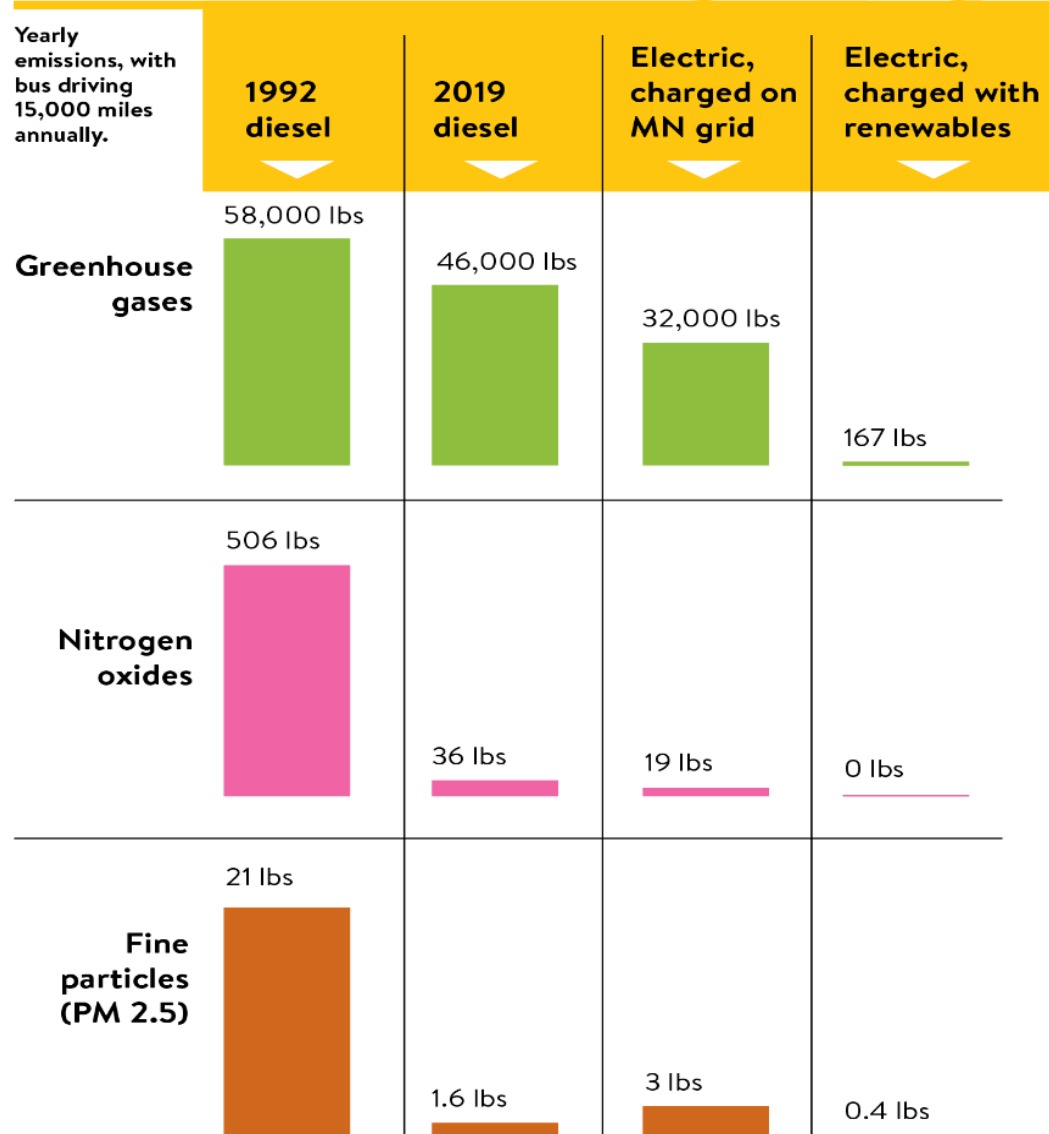
Category: Electric School Bus

- 20% of available funds
- \$4,700,000 overall
- \$80,000 grant
- Eligible school buses (approx. 5,800) can be replaced with:
 - New Electric Bus



School buses: Cleaning up the fleet

Old school buses are very polluting.
Newer, cleaner options exist.



Category: Electric School Bus

Why electric buses?

- We heard a lot of comments
- Exposure to pollution
- Electric buses comparatively very clean

Category: Heavy-duty electric vehicle (buses, airports, trucks)

- 30% of available funds
- \$7,050,000 overall
- Eligible diesel transit buses, airport ground support equipment and trucks can be replaced with
 - Electric transit buses
 - Electric trucks
 - Electric airport ground support equipment



Category: Electric vehicle charging stations

- 15% of available funds
- \$3,525,000 overall
- Up to 60-80% grant as allowed by the settlement
- Project breakdown
 - 90% to fast charging highway corridors
 - 10% to level 2 at public locations, workplaces, and multi-unit dwellings



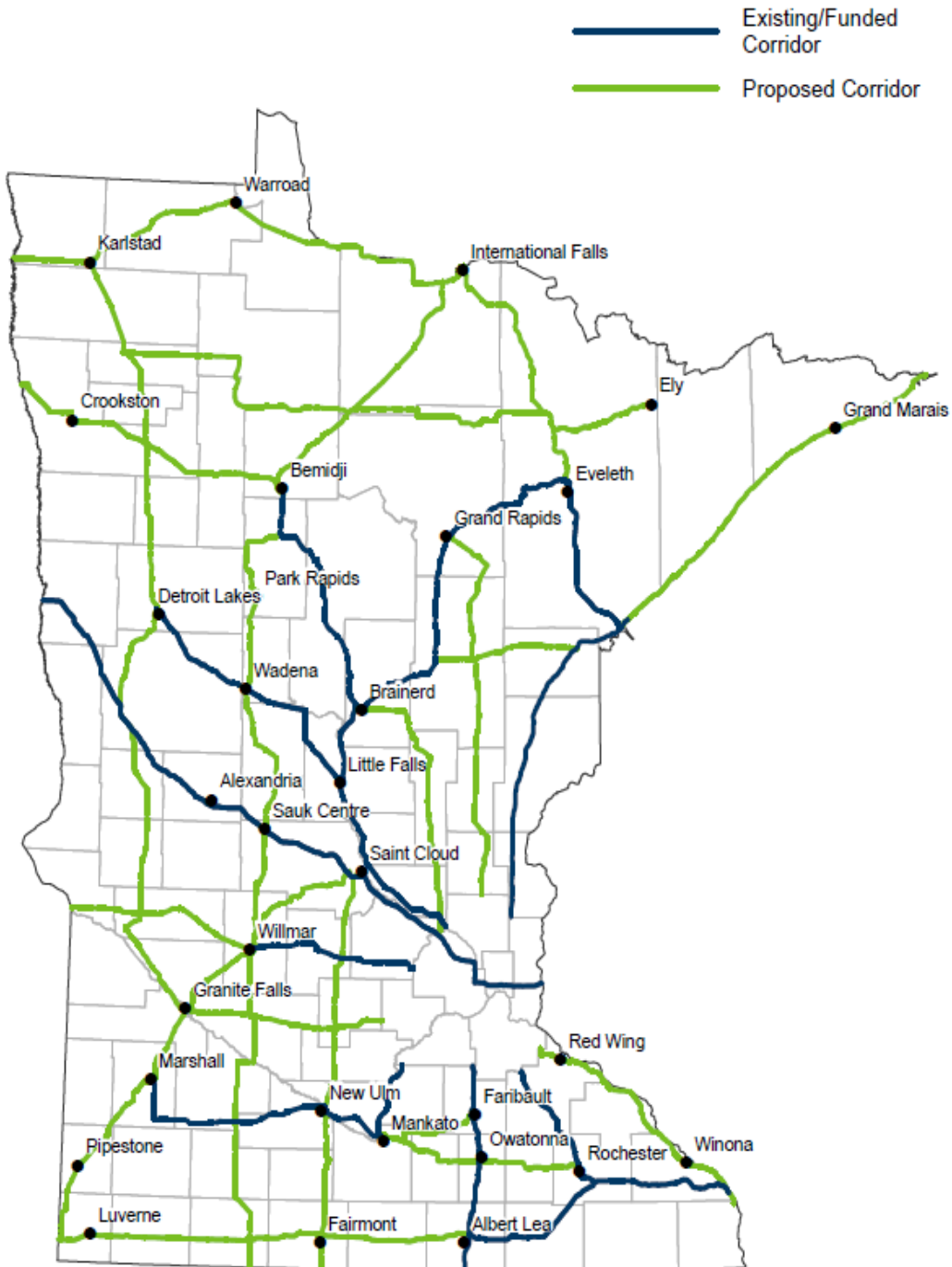
Level 2 Electric Vehicle Charging Infrastructure

\$352,500 Level 2 charging in Phase 2 draft plan

- 52 Dual port charging stations
- Placed in groups of 4
 - Public locations
 - Mobility hubs
 - Workplaces
 - Multi-unit dwellings



Electric vehicle charging stations



Highway Fast Charging Corridors

- 1,100 miles from Phase 1 (22 stations)
- Nearly 2,500 miles proposed in Phase 2 (43 stations)

General Questions

Should there be a limit to the number of vehicles each facility/company/school district can receive? Why/Why not?

Should the agency consider adding contractor eligibility to more grant categories? Why/why not?

Are there specific times of the year that are better for certain RFP's to be open?

Next steps

Timeline

Public Input: Fall 2019



Submit plan: February 2020



First requests for proposals: Spring 2020



Evaluate & select projects: Spring/Summer 2020



Summer 2020: First round of grants awarded

Thank you!

Contact information

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Program coordinator

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Website:

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Comments:

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Thank You!